

Shepherd Of The Hills UCC ANNUAL REPORT 2020

Sunday, January 31, 2021

Shepherd of the Hills UCC
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**Annual Meeting of
Shepherd of the Hills Congregational United Church of Christ
Sunday, January 31, 2021**

AGENDA

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| Call to Order | Mary Curtis, Moderator |
| Opening Prayer | Rev. Rock Fremont, Pastor |
| Declaration of a Quorum | Mary Curtis, Moderator |
| Adoption of Agenda | |
| Minutes from the Congregational Annual Meeting – February 2, 2020 | |
| Report of the Church Clerk (members gained/members lost) | |
| Individual, Board, and Committee Reports: | |
| Pastor's Report | Rev. Rock Fremont, Pastor |
| Moderator's Report | Mary Curtis |
| Buildings and Grounds | Bill Janiga, Chair |
| Outreach | Gabi Young, Chair |
| Worship and Music | Karyn Mercado, Chair |
| Membership | |
| Christian Education | See Pastor's Report |
| Diaconate | |
| Stewardship | Laura Minnick, Chair |
| Treasurer's Report | Larry Wilson, Treasurer |
| Other Reports: | |
| Endowment | Dan Mullen, Chair |
| New Business: | |
| 2020 Financial Report | |
| Proposed Budget for 2021 | Larry Wilson, Treasurer |
| By-Law Amendments | Bill Janiga, Personnel Committee |
| Election of Council members | Mary Curtis, Moderator |
| Proposed Slate of Officers - * indicates 2 nd term | |
| • Treasurer | Larry Wilson* |
| • Clerk | Jill Thomas* |
| • Building & Grounds | Bill Janiga* |
| • Christian Education | Anne Sheehan |
| • Diaconate | Diane Webb |
| • Membership | Renee Basnett |
| • Stewardship | Terry Haines |
| Recognition of Outgoing Council Members | Mary Curtis, Moderator |
| Adjournment | |

COUNCIL

Moderator	Mary Curtis
Vice-Moderator	Liz Mullen
Treasurer	Larry Wilson
Clerk	Jill Thomas
Building & Grounds	Bill Janiga
Stewardship	Laura Minnick
Worship & Music	Karyn Mercado
Christian Education	Stephen Fuller
Diaconate	Annemarie Killourhy
Outreach	Gabi Young
Membership	Jeanne Roper (Resigned Sept 2020)
Member-At-Large	Dick Richardson
Pastor & Ex Officio Member	Rev. Rock Fremont

STAFF

Pastor	Rock Fremont
Office Manager/Administrative Coordinator	Vicki Hauser
Director of Music	Riley McKinch
Custodian	Gabriel Gavino
Nursery Attendants	Julie Davis, Nichole Miller, Mae Hart

**Minutes of Annual Meeting of
Shepherd of the Hills Congregational United Church of Christ
Sunday, February 2, 2020**

AGENDA

Call to Order Mary Curtis, Moderator **11:05am** Opening
Prayer Rev. Rock Fremont, Pastor
Declaration of a Quorum Mary Curtis, Moderator
Adoption of Agenda **No new additions**

Minutes from the Congregational Annual Meeting – February 3, 2019
***motion to approve/2nd/discussion/ approved**

Report of the Church Clerk (members gained/members lost)

Individual, Board, and Committee Reports: **new members introduced**

Pastor's Report	Rev. Rock Fremont, Pastor
Moderator's Report	Mary Curtis
Buildings and Grounds	Bill Janiga, Chair
Outreach	Gabi Young, Chair
Worship and Music	Sue Spahle, Chair
Membership	Jeanne Roper, Chair
Christian Education	Stephen Fuller, Co-Chair
Diaconate	Carol Shaw, Chair
Stewardship	Laura Minnick, Chair
Treasurer's Report	Larry Wilson, Treasurer

Other Reports:

Endowment	Dan Mullen, Chair
60 th Anniversary Committee	Missy Shackelford, Chair

New Business:

Proposed Budget for 2020	Larry Wilson, Treasurer
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-overview, reviewed
***motion/2nd/discussion/approved**

Election of Council members	Mary Curtis, Moderator
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Introduced and welcomed

Proposed Slate of New Officers

- Moderator: Mary Curtis (2nd term)
- Vice-Moderator: Liz Mullen
- Worship and Music: Karyn Mercado
- Diaconate: Annemarie Killourhy
- Member-at-Large: Dick Richardson

Recognition of Outgoing Council Members	Mary Curtis, Moderators
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Adjournment **Motion/2nd/discussion/approved/ 11:36am**

REPORT OF THE CHURCH CLERK

2020 Membership Report

Worship Attendance:

Average Worship Attendance January 5–March 15 (in person): 76

March 22—December (online): >54K Minutes Viewed / Avg. 25 Families per service

Membership for 2018 –

Beginning Membership Total 2019: 209

Members gained: 1

Members lost: 10

End Membership Total 2020: 200

PASTOR'S REPORT FOR 2020

Dear Shepherd Family,

As we enter into our fourth year together (!) let me say right off the bat what a privilege it is to serve as Senior Pastor of Shepherd of the Hills, UCC. I am so very grateful for the extraordinary giftedness of our community of faith: in resources, talents, lay leadership, community influence, and for our many God-given gifts. It has been an interesting season to be the church, needless to say, and at times it has felt like we are indeed in the wilderness. We are certainly weary of the ongoing pandemic and the divisions that separate us, so let us focus our energies on doing the important work to “prepare the way of the Lord.” (Mark 1:3) What highways can we build during this time? How can we prepare for the church that is even now emerging? And how can we continue to minister to others, whether in our buildings or online, or both? I am pleased to report that due to our faith and everlasting commitment to one another, the state of the church is strong and growing in strength, even during this very difficult year when we have had to learn to do things in a different way while navigating the pandemic. We are looking to the future in trust and faith and great hope — all based on what God is doing in the present.

God is at work in the lives of people in and through the ministries of this community of faith. People are growing in their discipleship in our virtual groups, be it our Daily Morning Prayer offering, Tuesday’s Kids Book Club with our Community of Christ friends, Wednesday Wanderers Book Study, or Lectio Divina on Thursdays. Our Sunday Worship has been virtual for ten months and we are dreaming about how to transition to a hybrid of virtual and limited in-person worship and gathering when the time comes and it is safe to do so. Our music ministries have found creative ways to continue and even thrive, and pastoral care has continued in spite of being unable to make personal hospital and nursing home visits. We have learned that our reach has expanded in this

virtual world where geography no longer impedes involvement, with participants in our studies and worship joining us from all over the US and even globally. Lives continue to be transformed through our ministries and the outreach of our community of faith, and we want to continue that good work into the future because good faith formation is beneficial for all of us. To that end, Anne Sheehan has stepped up and is slated for our Religious Education Chair. Anne holds a graduate degree from a seminary and has a passion for theological formation, so I'm excited about this next step toward our vision. I would like to take this opportunity to thank Alice Rice and Stephen Fuller for their thoughtful stewardship of religious education over the years.

Over the last year, we asked ourselves "who is our neighbor?" and we came to realize that our neighborhood is growing beyond the end of our street. Looking deeply at ourselves, we feel called to broaden our horizons, grow our circles of influence, and open ourselves to others in new and compelling ways. We envision a church community that helps members meet people from walks of life other than their own, and that connects people from different walks of life with the gospel. Our Conversation Partners Program has been integral to fostering inter-religious friendships and providing connection during this time of lockdown and we look forward to working with our friends from SEMA Foundation for other opportunities to partner and continue the conversation.

At Shepherd of the Hills, our motto tends to be, "We are small but mighty," and this year has proven how true that is. Though this year has undoubtedly offered a host of immense challenges, there are experiences and achievements of which we can be extremely proud:

- We transitioned seamlessly to a Virtual Worship and Coffee Hour experience
- We've shared 50+ virtual worship and memorial services
- All of our small group offerings transitioned online, and we added two more
- We've partnered with others this past year, both virtually and pre-pandemic:
 - Conversation Partners Program with SEMA Foundation
 - Prince of Peace Ash Wednesday/Holy Week joint services
 - Community of Christ Kids Book Club
 - Daily Morning Prayer with the Open and Affirming Coalition of the UCC
- We have folks who regularly attend virtual worship in every US time zone
- We added a toll-free audio worship option for anyone not connected to the web
- We've been able to include more readers from our congregation than ever before
- In addition to sending holiday greetings to all of our State Representatives, Senators, and Governor, our involvement in VIP has been strengthened and we have taken part in meetings with our Governor, Senators, State Representatives, and the Directors of the Arizona Departments of Health Services and Corrections, Rehabilitation & Reentry

- We authored Op-Eds with our name on them that ran in the Arizona Republic

I am proud to say that in our time we have taken the baton from those who went before, to “run with perseverance the race that is set before us, looking to Jesus, the pioneer and perfecter of our faith” (Hebrews 12:2) and as we run the race, “we are surrounded by a great cloud of witnesses” (Hebrews 12:1). During this past year, I have served on the National Manual on Church Working Group, and am entering my second year as our Conference Moderator, and I would not be able to do this important work were it not for our strong covenantal relationship and your loving support, and I thank you for that. It is undoubtedly an exciting season in the life of our Shepherd Family, and yet I know the incalculable toll, with effects both seen and unseen, and pain both endured and not yet realized, that this pandemic year has taken on all of us. I continue to be honored to serve as your pastor and both Ernie and I look forward to traveling with you on the journey. I ask that as we move into this new year, we reach out and support one another, moving together in prayer and service, committing ourselves to being a welcoming and inclusive congregation that seeks to live and love so that others will want to become disciples of Christ and help create a just world for all.

Pastor Rock

MODERATOR’S REPORT FOR 2020

Is there a unique way to say 2020 was an unprecedented year for us all? From the pandemic to the politics, from social distancing to sometimes feeling distanced it was a year for the record books, but not one I hope to repeat anytime soon. I see hope on the horizon of 2021 with the release of the vaccine and I am looking forward to everyone that is able to have the opportunity to be vaccinated. If you need assistance signing up for the vaccine or getting transportation to your vaccination appointment, please let Pastor Rock know and we have volunteers that are ready to help.

It is in the reaching out to help with vaccinations that is just one shining example of our Shepherd of the Hills community in 2020 and as we enter 2021. Our church family has not been able to worship in-person for over nine months, but that does not mean we haven’t gathered together. We have connected in so many ways with the many faces we see in our virtual services to Wednesday Wanderers, from Daily Morning Prayer to regular Zoom meeting. We have phone buddies and mask making volunteers; we enjoy Sunday Zoom Fellowship and have given of our time and donations to many in our community through

Family Promise, Nourish Phoenix, the Diaper Bank, VIP and more. So no, we are not meeting in-person, but we are personally engaged with one another and our community here at Shepherd of the Hills.

I want to thank Rev. Rock Fremont for his extraordinary leadership in the speed and quality he pivoted to our online virtual church services. Not only is he our inspiration and our worship leader, but he has also taken on the role of technical support as many new to these delivery platforms became accustomed. In addition to Rock's work, I want to acknowledge Ernie Gregg for the skill and time he has put into our weekly services in making them a seamless and engaging viewing experience. Our Minister of Music Riley McKinch and Worship and Music chair Karyn Mercado also learned new technologies to deliver the music that continues to enrich our services. Thank you to all the musicians, lectionary speakers and prayer presenters that allow us to enjoy their music and readings each week. These too are ways we have connected as a congregation.

Your council has also had to pivot our focus for the business of the church. We have been challenged in 2020 and going into 2021 with a decrease in our church revenues. Our non-pledge offerings have been down after the first quarter of 2020 as well as our facility use fee revenue which includes The Hills pre-school due to Covid-19 closures. The council has created savings in the budget wherever we could do so and worked to wisely use the funds available. I would also like to acknowledge our treasurer, Larry Wilson, for his work in garnering Shepherd of the Hills a federal Paycheck Protection Program (PPP) loan in 2020 that we expect to be fully forgiven in 2021 (no repayment required). Larry is also researching whether SOH will qualify for a PPP-2 loan in 2021. These government loans do assist us in our fixed expenses of payroll and utilities, but cannot be used for our programming and outreach. Programming and outreach are the heart of our church. We appreciate everyone that gave generously in 2020 and have pledged to give in 2021. If you haven't yet pledged, it is not too late. Please do so as it helps us in the budgeting and tracking throughout the year. If you've already pledged and find you might be able to give a little more, please let the church office know that also. Your revised pledge is a welcome gift.

I would like to thank all of the church council members that have been meeting and working to keep our church functioning and connecting with one another and with our community in outreach. Thank you especially to our retiring church

council members – Jeanne Roper (Membership - resigned in late 2020 after 4 years on the council), Stephen Fuller (Education), Laura Minnick (Stewardship) and Annemarie Killourhy (Diaconate). Your service to the church and input in our meetings has been greatly appreciated.

Please take the time to read each of the reports in our 2020 Annual Report. I know you will see in our 2020 review not what we have missed out on in 2020, but instead the many ways and actions we have engaged in as a church community.

Mary Curtis, Shepherd of the Hills Church Council Moderator

BUILDING & GROUNDS REPORT FOR 2020

The year 2020 has been challenging for many reasons. Due to the Covid Pandemic, oversight of the grounds has not been as vigilant as in the past, since we were not on campus since March. In addition, the buildings do not get the normal use and issues can be “hidden” until they manifest as bigger problems. Fortunately, the Shepherd of the Hills Campus has had no major issues this year. Because of the lack of presence, we did see a greater than normal amount of vandalism. These issues were not significant. We had our share of irrigation leaks that had to be fixed. Also, The Little Library in front of the church was replaced.

We had to cancel our annual Work Weekend to spruce up our Church in the Spring.

During this time of virtual worship, the church administration did an admirable job of reducing the utilities in all the buildings during this time and our expenses were significantly reduced. Gabe Gavino is our part time custodian. He is a very knowledgeable person and dedicated to doing a good job. It has been a pleasure to work with him.

One of our goals in 2020 was to replace the asphalt in the parking lot. This was to cost about \$60,000. We had selected a contractor but put the project on hold until we could better assess the financial impact of the pandemic. If the pledges for 2021 are equal to 2020, I would anticipate that we would move forward with this endeavor in 2021.

One of the B&G goals of 2021 is to review more seriously the status of the Parish House. As Real Estate rises dramatically, and the use of the Parish house

diminishes, we must review what best benefits the future of SOH. No action is intended until we are worshipping together as a community and can discuss this more seriously.

B&G Chairperson

Bill Janiga

OUTREACH REPORT FOR 2020

Shepherd of the Hills -

During a difficult and unprecedented year, I was humbled by how our congregation still gave generously to causes helping those less fortunate. I wasn't surprised necessarily (because I know by now what this church is capable of), but I was still humbled. Below is a breakdown of this past year's planned giving and special offering collections.

2020 Outreach Chair, Gabi Young

PLANNED GIVING

Planned giving outreach comes from the church's existing budget rather than special offerings taken during Sunday service. In 2020, we just about met our planned giving goal of \$17,000. We gave \$16,797. Below is a break-down of where those funds went:

Program	Total	Notes
Our Church's Wider Mission (OCWM)	\$10,000	Basic Support of SW Conference (75%) & UCC National instrumentalities and agencies (25%)
Per Capita SW Conference	\$ 2,090	Based on current membership rolls 209 x \$10
Per Capita SW Conference-travel pool	\$ 209	Based on current membership rolls 209 x \$1 (Per capita and travel scholarship)
NourishPhx (Formerly ICM)	\$ 1,800	
Valley Interfaith Project (VIP)	\$ 1,000	VIP Dues
Sow the Seed/Spread the Word	\$ 200	UCC Cause

Strengthen the Church	\$ 200	UCC Cause
Childcare Worldwide	\$ 508	Annual Sponsorship and Christmas Gift for Immaculate Nakibuuka
Miscellaneous Planned Outreach	\$ 790.96	\$290 gifts for 5 SOH grads/\$500 Xmas gift for worthy family
Total	\$16,797	

SPECIAL OFFERINGS

Special offerings are the monthly offerings that are solicited for during Sunday service that go towards a specific cause. In 2020, we had a special offerings goal of **\$3,000**. We collected **\$7,972** from special offerings this year. Of that amount, **\$5,082** were made payable directly to SOH with the remaining made payable directly to the organizations we support. It is important to note that these numbers will differ from what will be in the Treasurer's Report. There are a few reasons for this. First, the Treasurer's Report will show what was paid into Shepherd and what was paid out. It will not show all the donations we took in that were made payable directly to the organizations we support – the \$7,972 number also includes the donations you gave that were made payable directly to other organizations. Furthermore, there are some special offerings that we took in this year, like our Ministry at the Doorstep offering that runs through its own separate account on our books and is not included in Outreach from an accounting perspective. I still felt it important to show how much you all gave towards this special offering. Finally, my numbers only focus on the amazing contribution that we took in as a church in 2020. Last year, we had a tremendous turnout for the asylum seeker cause. All of the financial donations received for the asylum seeker cause in 2019 were not paid out until this year to Cruzando Fronteras. I included those donations in my report last year to show what the church gave, so they are not in my incoming numbers for this year. They will appear in the Treasurer's Report this year for what we gave out. With all this said, here is a breakdown by month for our special offering causes:

January In January, our focus was on Family Promise. Led by Bill Janiga, **Shepherd hosted 9 family members** for one week in the Parish House and provided hot dinners to the families. This year, we not

only had the help of Shepherd congregants to make the week successful, but we also welcomed volunteers from the nearby LDS church as well as some of our local Girl Scouts. We collected **\$925** for the Family Promise cause. \$184 was paid out for our expenses in hosting Family Promise while the remaining amount was sent to the organization.

February In February, the work of Valley Interfaith Project took center stage. We collected **\$362** for VIP.

March Our special offering collection in March totaled **\$320** and went to benefit One Great Hour of Sharing. This UCC cause helps make it possible for the church to provide disaster relief, refugee assistance, and development aid to people across the globe.

It is important to note that this much lower than what we usually give towards this cause. March was a time of transition in each of our lives with the pandemic hitting our state, and we were transitioning as a church to online service – I give us some grace with this offering and for what happened during that month!

April In April, we rallied around supporting our Ministry at the Doorstep fund. During a time when many were losing work and various churches around the country were seeing their Ministry at the Doorstep fund being utilized to help those in need within their congregation, we decided to bolster this fund in preparation for hard time within our congregation or for those struggling around us. We collected **\$1,740** for this fund!

May In May we collected for NourishPhx (Formerly ICM). We raised **\$1,225** for the organization. Usually in May we hold a hygiene drive for the non-profit, but of course this year donations went online or by mail only.

We also purchased graduation gifts for five graduating high school seniors at SOH. Additionally, led by Linley Morris, our church began making masks for shut-ins at the Beatitudes Campus.

June-July We did not have a special offering in June or July. It is important to note that we gave \$2,000 to the Episcopal Church of Navajoland from

the Ministry at the Doorstep fund (a non-outreach fund). You may remember that our Native American brothers and sisters faced a dire COVID-19 crisis over the summer – lacking water, hygiene supplies, and other basic needs to help stop the spread of the virus. Our funds helped the Navajoland Church give out clean water for drinking and washing hands as well as other basic needs to many of its local residents.

August In August we supported the Diaper Bank of Central Arizona. We collected **\$1,835** plus an additional 1,000 diapers to support families in need. I want to thank you personally again for this amazing turnout!

September In September we again supported the 9/11 Interfaith Food Drive to help smaller food pantries in our community. We collected **\$365**.

September was also the month we sent a \$4,253.14 check to Cruzando Fronteras from funds collected in 2019. Cruzando Fronteras is a vetted organization south of the border that other Southwest Conference churches help to support. Our check was an important gift for them because it was going to be applied towards buying a central heating unit to keep asylum seekers and church volunteers warm during the winter months.

October In October we collected **\$170** to the UCC cause Neighbors in Need.

November This year, we raised funds for the NourishPhx Thanksgiving Fixings Drive. We collected an amazing **\$1,030 and 160 cans of food** to help ensure families have a Thanksgiving Meal. Even the Hills Preschool participated in buying canned food for this cause. Thanks to Liz and Dan Mullen for getting the physical food donations to NourishPhx.

December We again raised funds for and bought gifts for families in need at Christmastime. Together we bought gifts and donated funds to cover **42 families**. We raised so much that we even helped to buy **23 additional gift cards** for older kids. Also of note, Jeanne Roper's office contributed enough funds to buy an additional 60 \$25 gift cards for families. Finally, a big thank you to Liz Mullen for taking in all the gift and toy donations and getting them to NourishPhx.

WORSHIP & MUSIC COMMITTEE REPORT FOR 2020

The responsibilities of your Worship and Music team are to support worship services with everything from greeters and ushers to altar and sanctuary decoration, communion, liturgists, and music coordination, in close communication with Rev. Rock Fremont. During the first few months of the year we were still in traditional worship mode, but the COVID-19 pandemic brought new realities and challenges in the form of virtual worship.

We are grateful to Diana Schneeman for leading the usher team, which provided important support for traditional worship. Diana stayed in email communication with her team when services were shut down, to help everyone feel connected. Jeanne Roper and Linley Morris also provided essential support for traditional worship, as Jeanne coordinated the greeter team and Linley Morris prepared weekly communion.

For both traditional and virtual worship, Sue Spahle provided altar and sanctuary decoration. During the pandemic, this allowed us to keep an important connection with the church building, as we could see the beautiful sanctuary in the music videos each week. A favorite was the Parish house decorated with the tree for the recording of liturgists for the Christmas Eve service.

The year began with a strong choir enriching our weekly worship under the leadership of Riley McKinch, our Director of Music, who completed his first year of service with us in April.

In March, the church closed to in-person worship due to the COVID-19 pandemic. Pastor Rock and Riley both stretched themselves to grow into the demands of virtual worship. Ernie Gregg took on the key role of editing and producing the worship videos each week, and we are extremely grateful for the time and talents he has been sharing with us in this way.

Both Rock and Riley sought out training to learn more about the virtual worship format and the technologies and platforms available to produce and distribute our weekly worship. Rock heard about a smartphone app called Acapella being used by other churches, which allows musicians to collaborate on pieces remotely, and Riley became proficient in using the app to record music videos for worship. This allowed for vocalists to join with Riley in the weekly music, and we have gradually increased the number of people contributing to our weekly music.

Pastor Rock had already taken on the coordination of liturgists during in-person worship, and he continued to do so during the shutdown, coaching volunteers on how to record themselves reading from home to contribute to our virtual services.

Riley also sought out guest musicians to enrich our musical offerings throughout the year, and a highlight was our virtual Christmas Eve service of Lessons and Carols.

In 2021, we are hopeful that more traditional worship will be on the horizon soon. Although the past year has presented many challenges, along with some disappointments, we have also discovered new ways to connect and to feel the blessings of worship. We have all learned new skills, and the virtual worship format has given us new perspectives. The return to in-person worship will certainly present new challenges, but we will consider what lessons from 2020 to incorporate as we return to worship in the sanctuary.

We are always open to input and ideas from the congregation about our worship in the future.

Respectfully submitted by,
Karyn Mercado, Worship and Music Chair

MEMBERSHIP REPORT FOR 2020

New members to report for 2020
Renee Basnett

Deaths of SOH members in 2020 are listed below.

Elaine Coons
Marilyn Larson
Jeannette Baker
Jim Newman
Rev. Don Heinrich
Carolyn Mills
Val Wallace
Pat Richardson
Darrell (Doc) Smith
Henry (Hank) Craig

Final Membership total in 2020 – 200 congregants

CHRISITAN EDUCATION REPORT FOR 2020

-See Pastor's Report

DIACONATE REPORT FOR 2020

The Diaconate Committee provides an important service to the Church, particularly in maintaining personal contact with shut-ins, the bereaved and members unable to attend Church on a regular basis. Additionally, the Chairman serves on the Church Council. The Chairman recruits several members who are willing to send cards, make phone calls, visit hospitals, nursing homes and retirement communities (when allowed), and offer support as needed.

As in-person visitation, funerals and many other services the Diaconate Committee normally performs were not allowed for the majority of 2020, the committee wishes to thank all of you that have personally reached out to others as circumstances and time have allowed. Thank you for making phone calls, sending notes and letters, providing masks and holiday meals. Thank you for helping those in our Shepherd of the Hills community that needed your support and welcomed your friendship.

Members of the Congregation are asked to contact the Church Office to make us aware of illnesses or if some kind of assistance is needed by a fellow Church member.

STEWARDSHIP REPORT FOR 2020

The Stewardship Campaign 2021 – Faith, Courage, and Love – intentional action to express our support to our faith community, in ministry and important missions that we carry out at Shepherd of the Hills. Even as we move forward with a very different worship service, and social connection – all virtual the past 9 months, and moving forward in this way, until we are able to resume in person in a safe way – we've committed to continued support of Shepherd of the Hills. The 2021 Pledge to Faith, Courage, and Love resulted in generous giving, however, missing the need of our proposed 2021 Budget, even with conservative expense planning, our income from other sources will not likely, meet the past revenue levels. (See results below)

The Campaign began in November, with eBlasts, Shepherd of the Hills member testimonies of their passion in mission, and why they love being members of this faith community.

As of January 20, 2021, the Faith, Courage, and Love Campaign has raised \$166,985.00 in pledges toward the 2021 Operating Budget. Fifty-six (56) giving units have been received. We also know as history shows that we will continue to receive more pledges throughout the year. There's still time to let us know what your financial support might be for 2021. Feel free to contact the church office or any member of the Council with your intent. We all rejoice in the godly work that happens each and every day through the ministries and missions of Shepherd of the Hills. The Stewardship Council is so very grateful for all those who supported this campaign and appreciates everyone who gives of their time, their talent, and their treasure to support the many missions, programs, and ministries of Shepherd of the Hills. Respectfully, Laura Minnick, Stewardship Chair 2021

TREASURER'S REPORT FOR 2020

INCOME: Total income received through the end of December was \$244,873. That amount is \$37,402 under the forecasted amount of \$282,275. Our pledges (General Fund and Prepaid) collected for the year were \$172,192 compared with \$180,275 budgeted for the year. We collected 95.5% of our pledged income for 2020. Our Non-Pledge Offering (unpledged collections) for 2020 fell short of our budgeted amount by \$8,183. This item is very difficult to estimate it was especially affected by not having in person Sunday services therefore no plate offerings. The 60th Anniversary Fund Raiser activities were to continue into April of 2020 but were cut short to only January and February but they were still able to raise \$1,257 which exceeded budgeted amount by \$757. Facility Usage Fees were severely impacted by the Covid 19 closing of our facility. We received some money from the pre-school as a result of them receiving Payroll Protection loans but we fell very short of our budgeted income of \$37,000. Our actual income from that line item was \$14,714. Our special Offerings income is the actual amount collected for specific charities and is completely distributed to those charities. It does not affect our operating outcome. A more detailed explanation is presented in the Outreach Committee report. In 2020 we received a distribution of \$5,000 from the Endowment Fund to be used for mission or education. The total income for 2020 \$244,873 is 13% less than we received in 2019 mainly because of Covid 19 restrictions. In anticipation of a short fall in income for this past year a Payroll Protection loan offered by the Small Business Administration was taken

out by Shepherd of the Hills. The loan was in the amount of \$34,000 and was used to support our cash flow. We should meet all requirements for the loan to be forgiven by the SBA but that will not happen until 2021. Currently the loan is shown as a liability on our balance sheet and the proceeds are not reported as income for 2020.

EXPENSES: Total Expenses for 2020 were \$252,530 which is \$29,745 below our forecast Expenses of \$282,275.

A summary of our Expenses by category is as follows:

Planned Outreach \$17,000 budgeted \$16,798 distributed.

Special Offerings \$3,000 budgeted, \$7,545 distributed. The distribution was \$4,545 in excess of the amount taken in as a result of Shepherd collecting donations from other organizations and distributing the funds. The Outreach Committee will have more information on that.

Committee Expenses, \$79,300 budgeted, \$58,282 actual expenses. As you can see in this difficult operating environment, our committees have been very good at controlling spending and helping support our overall operations.

Payroll Expenses \$182,975 were budgeted and \$169,906 were the actual expenses. Payroll expenses are very fixed but with our facility being closed it required less time for the Sexton and child care was not needed therefore creating some savings. Also a part time person for faith formation had been budgeted but because of the challenges this year it was not filled.

Our overall expenses for the year were below our budget by 10.5%.

LOSS: We were working with a break even budget but our net result was an operating loss of \$7,658 this loss will be offset with unrestricted funds.

CONSOLIDATED FUNDS AND ENDOWMENT FUND: As of December 31, 2020 we had Consolidated Funds totaling \$206,315 last year's balance was \$209,700. The Endowment Fund at December 31, 2020 was \$137,541 compared with a 2019 balance of \$116,214. The Endowment Fund allows for up to 5% of the funds to be disbursed per year when the Endowment Fund exceeds \$100,000.

SUMMARY: We had a very difficult financial year but our finances are solid and we will be able to move ahead with a strong program and hopefully in Church

gathering soon. Along with the financial support of our congregation and the care of our committees to control their budgets we were able accomplish most of our budgeted objectives.

ENDOWMENT COMMITTEE REPORT FOR 2020

The balance of the endowment fund at 12/31/2020 was \$137,540. The fund distributed \$5000 to the church in December. The annualized rate of return for 2020 was 13.6%.

Dan Mullen, on behalf of the Endowment Committee

SOH 2021 Proposed Budget

Assumptions:

Church reopens in June 2021

The Hills reopens in August of 2021 (possible 2021 PPP money may be available, PPP money in 2020 rec'd)

No raises included due not to performance but an unbalanced budget. Bonuses were given to staff

Income	2020 Budget	2020 Actual	Proposed 2021 Budget	Notes
General Fund Pledges	\$180,275	\$ 170,210.00	\$141,000	Represents 94% of \$149,985 pledged
Prepaid Pledges Given in Prior Year			\$17,000	
General Fund - Non Pledge	\$37,000	\$ 23,800.00	\$23,000	
Fund Raiser October			\$1,500	
General Fund - Preschool Rent and Facilities Usage Fees	\$37,000	\$ 14,700.00	\$15,000.00	
General Fund - Post-Paid Pledge	\$0		\$2,500	
Endowment Distribution	\$5,000	\$ 5,000.00	\$6,600	current value around 135,000
Carryover from Prior Year	\$19,500	-\$ 12,000.00	\$0	
Special Offerings	\$3,000		\$5,000	
PPP			\$34,000	Received in 2020, apply to 2021
PPP 2021			-	May meet criteria but need to be conservative for now
Total Income	\$282,275		\$245,600	

Expenses	2020 Budget	2020 Actual	Proposed 2021 Budget	
Outreach				
Planned (Incl. Family Promise)	\$17,000	\$ 16,798.00	\$11,000	
Special Offerings	\$3,000		\$5,000	In/Out from line 17
Total Outreach	\$20,000			
Committee Non-Payroll				
Christian Education	\$900		\$450	
Preschool License Renewal	\$0		\$2,000	
Worship and Music	\$3,600		\$2,500	
Diaconate	\$500		\$150	
Membership	\$100		\$50	
Stewardship	\$200		\$100	
Conferences and Delegates	\$1,000		\$0	Assume Zoom support
Office and Administrative Expense	\$11,500	\$ 6,533.00	\$7,000	
Insurance	\$13,500		\$14,000	
Buildings and Grounds	\$48,000	\$ 35,989.00	\$38,000	
Youth Program	\$0		\$0	
Search and Relocation	\$0		\$0	
Interest Expense				
Total Non-Payroll	\$79,300		\$80,250	
Staff Compensation and Benefits				
Senior Pastor with Benefits	\$92,650		\$92,650	Benefits increase only
Interim Pastor / Pulpit Supply	\$0	\$ -	\$400	
Faith Formation/Education	\$6,500		\$0	
Nursery	\$1,800		\$900	
Director of Music	\$15,000		\$15,000	
Office Manager/Coordinator	\$37,500		\$37,500	
Sexton/Custodian	\$19,400		\$16,000	
Staff Benefits (other than Pastor)	\$2,625	\$ 2,265.00	\$2,336	
Payroll Taxes & Worker's Comp	\$7,500	\$ 7,000.00	\$7,500	
Total Payroll	\$182,975		\$172,286	
Total Expenses	\$282,275		\$252,536	
Net Surplus or Deficit	0		-6936	